Cognitive Thinking: An International Journal of Interdisciplinary Studies
ISSN: 3107-5088, Vol. 2, Issue-3 (July-Sep, 2026), pp.66-73, www.cognitivethinking.in

Start-up Ecosystem as a Driver of Viksit Bharat 2047

Dr. Ashima Yadav
Assistant Professor, Dept. of Commerce, Adarsh Mahila Mahavidyalaya, Bhiwani
Email ID :gunjdakshashi@gmail.com

D.O.I. https://doi.org/10.5281/zenodo.21443734
Article: Received: 30/06/2026, Accepted: 13/07/2026, Published: 17/07/2026.

Abstract: India's vision of becoming a developed nation by 2047, commonly referred to as Viksit Bharat 2047, is strongly anchored in innovation-led and entrepreneurship-driven economic growth. In this context, the start-up ecosystem has emerged as a powerful catalyst for structural transformation, job creation, and Technological development throughout numerous sectors of the economy. Over the past decade, India has witnessed a significant rise in start-ups, supported by initiatives such as Start-up India and Digital India, which have enhanced access to finance, simplified regulatory frameworks, and strengthened digital infrastructure. These developments have enabled start-ups to contribute not only to GDP growth but also to inclusive development by generating employment opportunities, selling innovation, and empowering underserved regions. This study adopts a conceptual and analytical approach based on secondary data to examine the role of start-ups in accelerating economic development, enhancing global competitiveness, and fostering a culture of innovation and entrepreneurship. The paper also identifies key challenges within the ecosystem, including funding constraints, regulatory complexities, market competition, and skill gaps that may hinder sustainable growth. The findings propose that a well-supported and dynamic start-up atmosphere can act as a riding pressure in achieving the goals of Viksit Bharat 2047, by strengthening economic resilience, boosting productivity, and positioning India as a global innovation hub.

Keywords: Start-up Ecosystem, Viksit Bharat 2047, Economic Growth, Innovation, Entrepreneurship, Employment Generation, Digital Transformation, Government Initiatives.

Introduction: The concept of Viksit Bharat 2047 represents India's ambitious vision of transforming itself into a fully developed, self-reliant, and globally aggressive state via way of means of the 12 months 2047, marking a hundred years of independence. This vision emphasizes sustainable economic growth, technological advancement, social inclusivity, and improved standards of living for all citizens. Achieving this goal requires a strong focus on innovation-driven development, where entrepreneurship and start-ups play a crucial role.

Start-ups have emerged as key drivers of economic transformation in India. They foster innovation by introducing new ideas, technologies, and business models that enhance efficiency and productivity across sectors. Unlike traditional businesses, start-ups are agile and adaptable, enabling them to respond quickly to changing market demands and technological trends. This flexibility makes them instrumental in solving complex socio-economic challenges, including unemployment, financial inclusion, healthcare accessibility, and digital literacy.

India today hosts one of the largest start up ecosystems in the world, supported by a young and dynamic population, growing net penetration, and speedy virtual transformation. Government initiatives such as Start-up India, Digital India, and Make in India have created a favourable environment for entrepreneurial growth by providing financial support, regulatory ease, and infrastructural development. Additionally, the rise of venture capital funding, incubators, and accelerators has further strengthened the start-up landscape.

ISSN: 3107-5088, Vol. 2, Issue-3 (July-Sep, 2026), pp.66-73, www.cognitivethinking.in

Moreover, start-ups contribute significantly to job creation, which is essential for harnessing India's demographic dividend. They not only generate direct employment but also create indirect opportunities through supply chains and related industries. By selling innovation, improving competitiveness, and helping inclusive growth, start-ups act as a catalyst in accelerating India's journey closer to turning into an evolved nation.

In this context, the start-up ecosystem is not merely an economic phenomenon but a strategic pillar in realizing The imaginative and visionary of Viksit Bharat 2047.

Literature Review: Recent studies highlight the growing importance of start-ups in driving India's economic development and supporting The vision of Viksit Bharat 2047.

Shilpa Sachdeva et al. (2025) emphasized that start-ups act as catalysts for innovation, employment generation, and sectoral diversification. Their study found that government initiatives and increasing venture capital investments significantly strengthen India's entrepreneurial ecosystem.

Himanshi Srivastava and Monika Mishra (2024) analyzed urban startup ecosystems and concluded that policy support, globalization, and technological advancements have transformed metropolitan cities into innovation hubs.

According to D. Varalakshmi (2025), India has become one of the world's largest startup ecosystems, with over 1.17 lakh startups generating millions of jobs, thereby contributing significantly to inclusive economic growth.

Ajay Dwivedi and Shrishti Singh (2024) evaluated the Indian startup landscape and identified key challenges such as regulatory complexities, funding issues, and talent management, while also recognizing strong government support as a major growth driver.

Prasam Jain, Durgesh Machhi, and Jignesh Vidani (2024) highlighted that startups and unicorns enhance global competitiveness, attract foreign investment, and foster technological innovation in sectors like fintech and e-commerce.

Komal Sehrawat and Krishan Kumar (2023) described startup ecosystems as interconnected networks that provide resources, mentorship, and funding guide important for sustainable commercial enterprise growth.

Thejaswini K. A. And Babu V (2024) examined the impact of government schemes and found that initiatives such as Startup India have created a supportive environment for entrepreneurship and innovation.

Objectives of the Study

To analyze the growth and development of the start-up ecosystem in India.
To examine the role of start-ups in economic development and employment generation.
To evaluate the contribution of government initiatives in promoting start-ups.
To identify key challenges faced by start-ups in India.
To suggest measures for strengthening the start-up ecosystem for achieving Viksit Bharat 2047.

Research Methodology: This study adopts a descriptive and analytical research design to examine the role of the start-up ecosystem in achieving the vision of Viksit Bharat 2047. The research is entirely based on secondary data, which provides a comprehensive and systematic understanding of the subject by utilizing already published and verified information.

Nature of Data: The study relies on secondary data collected from multiple authentic and reliable sources. These include:

Government reports and official publications
Policy documents and white papers
Research articles published in peer-reviewed journals
Industry reports from reputed organizations
Publications from national and international institutions

The use of diverse sources ensures a holistic view of the start-up ecosystem and its contribution to economic development.

ISSN: 3107-5088, Vol. 2, Issue-3 (July-Sep, 2026), pp.66-73, www.cognitivethinking.in

Data Collection Sources: Data has been gathered from credible platforms such as:
Government portals and ministry reports
Academic databases (Google Scholar, Research Gate, etc.)
Reports from organizations like NITI Aayog, World Bank, and Start-up India
Business and industry publications
Priority has been given to recent and updated data to reflect current trends, policy initiatives, and developments in the Indian start-up landscape.

Research Design: The study follows:
Descriptive approach – to describe the growth and structure of the startup ecosystem
Analytical approach – to evaluate its impact on economic growth, innovation, and employment generation
This combination helps in both understanding and critically examining the subject.

Conceptual Framework (Start-up Ecosystem &Viksit Bharat 2047)

S. No.	Components	Variables	Description	Relationship with Study
1	Independent Variable	Government Initiatives	Includes policies, schemes, tax benefits, funding support, and programs promoting startups	Acts as a driving force that supports startup growth and reduces barriers
2	Independent Variable	Startup Ecosystem Factors	Availability of funding, infrastructure, innovation, technology, and market access	Creates a supportive environment for startups to establish and expand
3	Dependent Variable	Growth and Development of Startups	Increase in number of startups, investment inflows, innovation, and business expansion	Outcome influenced by government support and ecosystem factors
4	Dependent Variable	Economic Development and Employment Generation	Contribution to GDP, job creation, productivity, and inclusive growth	Represents the broader impact of startup growth on the economy
5	Moderating Variable	Challenges Faced by Startups	Financial constraints, regulatory issues, lack of skilled workforce, and market competition	Acts as barriers that may weaken the growth and impact of startups

Role of Start-up Ecosystem in Economic Growth: The start-up ecosystem plays a vital role in accelerating economic growth by acting as a catalyst for innovation, productivity, and employment generation. Start-ups introduce innovative products, services, and business models that disrupt traditional industries and create new markets. This leads to increased efficiency and competitiveness within the economy.
One of the key contributions of start-ups is their impact on Gross Domestic Product (GDP). By creating new businesses and expanding existing markets, start-ups contribute directly to economic output. They also generate large-scale employment opportunities, particularly for the youth, thereby reducing unemployment and supporting inclusive growth.
Furthermore, start-ups attract both domestic and foreign investments, including venture capital, private equity, and foreign direct investment (FDI). This inflow of capital strengthens the financial

ecosystem and promotes further economic development. The rapid growth of sectors such as fintech, edtech, healthtech, and e-commerce highlights how start-ups are transforming the Indian economy by improving access to financial services, education, healthcare, and digital marketplaces.

Government Initiatives Supporting Start-ups: The Government of India has undertaken several strategic initiatives to foster a supportive environment for start-ups and entrepreneurship. These initiatives aim to reduce entry barriers, provide financial assistance, and promote innovation across sectors.

- **Start-up India Initiative:** This flagship program focuses on promoting entrepreneurship by offering tax exemptions, easier compliance norms, funding support, and incubation facilities. It also encourages innovation through various schemes and partnerships.
- **Make in India:** This initiative aims to transform India into a global manufacturing hub by encouraging domestic production and attracting foreign investment. It supports start-ups in manufacturing and industrial sectors.
- **Digital India:** This program promotes digital infrastructure, digital literacy, and e-governance, enabling start-ups to leverage technology and expand their reach, especially in rural and semi-urban areas.
- **Atal Innovation Mission (AIM):** AIM fosters a culture of innovation and entrepreneurship through Atal Incubation Centers, Atal Tinkering Labs, and support for start-ups at early stages.

These initiatives collectively provide financial support, tax benefits, mentorship, incubation, and a favorable regulatory environment, thereby encouraging the growth of start-ups and strengthening the overall ecosystem.

Challenges Faced by Start-ups: Despite significant progress, start-ups in India face several challenges that can hinder their growth and sustainability.

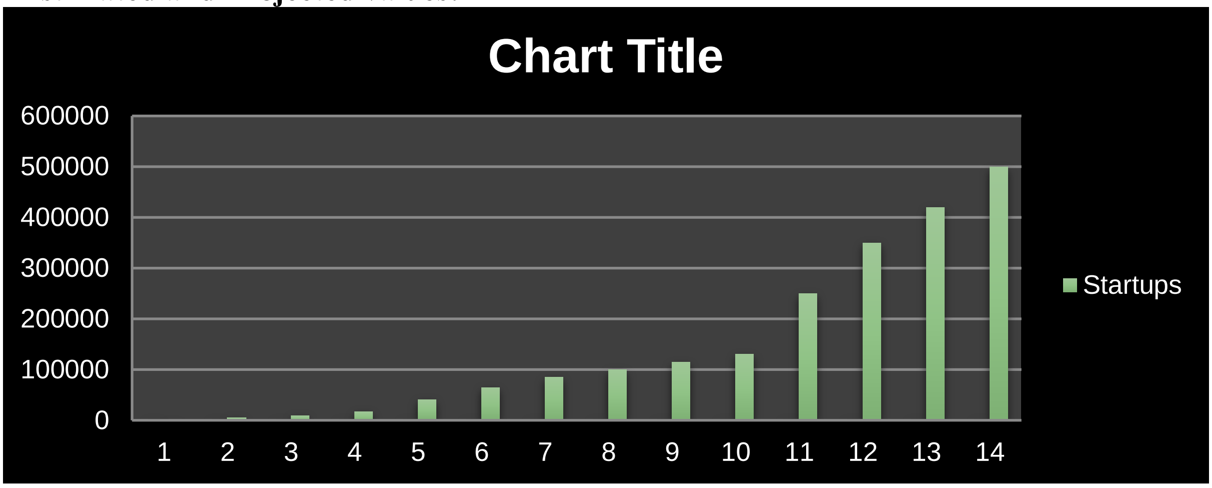
- One of the major issues is **limited access to early-stage funding,** especially for start-ups in their initial phases. While funding opportunities have increased, many start-ups still struggle to secure capital due to high risks and lack of collateral.
- Another challenge is **complex regulatory and compliance requirements,** which can be time-consuming and costly for new businesses. Although improvements have been made, navigating legal and bureaucratic processes remains difficult for many entrepreneurs.
- **Intense competition and market risks** also pose challenges, as start-ups must compete not only with established companies but also with other emerging start-ups. This increases the risk of failure, particularly in highly saturated markets.
- Additionally, **skill gaps and shortage of trained talent** affect the efficiency and scalability of start-ups. Many start-ups face difficulties in finding skilled professionals, especially in advanced technological domains.
- Lastly, **infrastructure limitations,** particularly in rural and remote areas, restrict the expansion of start-ups. Limited access to digital connectivity, logistics, and basic facilities creates barriers to growth.

Data analysis and interpretation

Sr.No.	Year	Number of Recognized Startups	Annual Growth Rate (%)
1	2016	500	—
2	2017	5,000	900%
3	2018	8,900	78%
4	2019	18,000	102%
5	2020	41,000	127%
6	2021	65,000	58%

Sr.No.	Year	Number of Recognized Startups	Annual Growth Rate (%)
7	2022	85,000	31%
8	2023	1,00,000+	18%
9	2024*	1,15,000	15%
10	2025*	1,30,000	13%
11	2030*	2,50,000	14% (avg.)
12	2035*	3,50,000	7% (avg.)
13	2040*	4,20,000	4% (avg.)
14	2047*	5,00,000+	3% (avg.)

***Estimated and Projected values:**



Interpretation: The extended data indicates that the number of recognized startups in India has grown exponentially since 2016, with particularly high growth rates in the initial years following the introduction of supportive government initiatives. From 2023 onwards, the growth rate shows a gradual stabilization, reflecting a transition from rapid expansion to a more mature and sustainable growth phase. The projections suggest that by 2047, India could have over 5,00,000 startups, contributing significantly to innovation, employment, and economic development. Although the percentage growth rate is expected to decline over time, the absolute increase in the number of startups remains substantial. This trend aligns with the vision of **Viksit Bharat 2047**, where startups are expected to play a central role in driving economic progress and global competitiveness.

Suggestions and Recommendations: To strengthen the start-up ecosystem and ensure its long-term contribution to economic growth, several measures can be adopted.

- There is a need to **improve access to funding,** particularly at the early stages, through increased venture capital investment, angel funding, and government-backed financial schemes. Creating more funding opportunities will help start-ups sustain and scale their operations.
- The government should focus on **simplifying regulatory procedures** and reducing compliance burdens. A more transparent and streamlined system will encourage more entrepreneurs to start and expand businesses.
- **Skill development and entrepreneurial education** should be enhanced through training programs, workshops, and collaboration between educational institutions and industries. This will help in building a skilled workforce and fostering innovation.

ISSN: 3107-5088, Vol. 2, Issue-3 (July-Sep, 2026), pp.66-73, www.cognitivethinking.in

- **Promoting research and development (R&D)** is essential for encouraging innovation. Increased investment in R&D and collaboration between academia and industry can lead to the development of new technologies and solutions.
- Finally, there is a need to **strengthen digital and physical infrastructure,** especially in rural areas, to ensure inclusive growth. Improved connectivity, transportation, and access to resources will enable start-ups to expand beyond urban centers.

Case Studies

1. **Flipkart:** Flipkart has played a transformative role in reshaping India's retail landscape by introducing large-scale online shopping and making e-commerce accessible to a wide population. Founded in 2007, the company began as an online bookstore and gradually expanded into multiple product categories, including electronics, fashion, and household goods.

Flipkart significantly contributed to the growth of the digital economy by encouraging consumers to shift from traditional retail to online platforms. It introduced innovative practices such as cash-on-delivery, easy return policies, and festive sales events, which helped build trust among Indian consumers. In addition, the company has generated substantial employment opportunities across various domains, including warehousing, logistics, customer service, and technology.

Moreover, Flipkart has strengthened India's logistics and supply chain infrastructure through its extensive delivery network, reaching even remote areas. The company has also attracted significant foreign investment, notably from global players, which has boosted investor confidence in India's start-up ecosystem. Overall, Flipkart serves as a prime example of how start-ups can drive digital transformation and economic growth.

2. **Paytm:** Paytm has been a key driver in the evolution of digital payments in India. Established in 2010, Paytm initially started as a mobile recharge platform but later expanded into a comprehensive financial services provider, offering digital wallets, banking services, insurance, and investment options.

The company gained widespread prominence during the period of demonetization in 2016, when the demand for cashless transactions increased significantly. Paytm played a crucial role in promoting digital payments by providing a simple and user-friendly platform for individuals and businesses. It enabled even small vendors, shopkeepers, and street merchants to accept digital payments through QR codes, thereby enhancing financial inclusion. Paytm's contribution extends beyond convenience, as it has helped formalize the economy by increasing transparency in financial transactions. It has also supported small and medium enterprises (SMEs) by offering them access to digital financial services and credit facilities. Through its innovative solutions, Paytm aligns closely with the objectives of a digitally empowered economy.

3. **Zomato:** Zomato has emerged as a leading player in the food delivery and restaurant aggregation sector, contributing to the development of a platform-based economy. Founded in 2008, Zomato started as a restaurant discovery platform and later expanded into online food delivery services. Zomato connects multiple stakeholders, including restaurants, delivery partners, and consumers, creating a dynamic digital marketplace. This model has significantly boosted urban economic activity by increasing demand for food services and enabling restaurants to reach a wider customer base without heavy investment in physical infrastructure. The company has also created extensive employment opportunities, particularly in the gig economy, by engaging delivery partners on a flexible basis. This has provided income opportunities for a large number of individuals, especially in urban and semi-urban areas. Furthermore, Zomato has supported small and local restaurants by providing them with digital visibility and access to a larger customer network. Its data-driven approach helps businesses understand consumer preferences and improve their services. Overall, Zomato demonstrates how start-ups can foster innovation, generate employment, and strengthen service-based economic growth.

Conclusion: The start-up ecosystem in India has emerged as a dynamic and influential force capable of significantly contributing to the realization of the vision of Viksit Bharat 2047. Start-ups are not only engines of innovation but also important drivers of structural transformation in the economy. By introducing new technologies, improving efficiency, and addressing socio-economic challenges through innovative solutions, they are reshaping traditional business models and accelerating economic progress.

One of the most notable contributions of start-ups lies in their ability to generate employment opportunities across various sectors. In a country with a large and growing workforce, start-ups play a crucial role in absorbing talent, encouraging entrepreneurship, and promoting self-employment. Additionally, their contribution to GDP growth, capital formation, and increased investment flows—both domestic and international—strengthens the overall economic framework.

Start-ups also contribute to inclusive development by expanding access to essential services such as finance, education, healthcare, and digital platforms. Through technology-driven solutions, they help bridge gaps between urban and rural areas, thereby supporting balanced regional development. Their role in promoting digitalization further aligns with India's transition toward a knowledge-based and innovation-driven economy.

However, despite their immense potential, start-ups continue to face several structural and operational challenges, including limited access to early-stage funding, regulatory complexities, infrastructure gaps, and skill shortages. Addressing these issues is critical to ensuring the long-term sustainability and scalability of the start-up ecosystem.

To fully harness the potential of start-ups, continuous and well-coordinated efforts are required. The government must focus on creating a more supportive policy environment, simplifying regulatory frameworks, and expanding financial support mechanisms. At the same time, industry stakeholders should promote innovation, mentorship, and investment, while academic institutions must emphasize skill development, research, and entrepreneurial education.

In conclusion, the success of the start-up ecosystem depends on a collaborative approach involving government, industry, and academia. With sustained support, strategic planning, and a focus on innovation and inclusivity, start-ups can play a transformative role in shaping India into a developed, self-reliant, and globally competitive nation by 2047.

Works Cited and Consulted

Sachdeva, S., Sharma, R., & Gupta, P. (2025). Role of start-ups in innovation and employment generation in India. International Journal of Entrepreneurship and Innovation Studies, 12(1), 45–58.

Srivastava, H., & Mishra, M. (2024). Urban start-up ecosystems and economic transformation in India. Journal of Business and Economic Development, 10(2), 78–92.

Varalakshmi, D. (2025). Growth of start-up ecosystem and its impact on inclusive development in India. Indian Journal of Economics and Development, 13(1), 101–115.

Dwivedi, A., & Singh, S. (2024). Challenges and opportunities in the Indian startup ecosystem. Journal of Management Research and Analysis, 11(3), 150–162.

Jain, P., Machhi, D., &Vidani, J. (2024).Startup ecosystem and global competitiveness: Evidence from India. International Journal of Management and Commerce Innovations, 9(2), 200–214.

Sehrawat, K., & Kumar, K. (2023).Startup ecosystem: A conceptual framework and analysis. Journal of Entrepreneurship and Innovation in Emerging Economies, 9(1), 33–47.

Thejaswini, K. A., &Babu, V. (2024). Government initiatives and their impact on startup growth in India. Asian Journal of Management, 15(2), 89–102.

Sharma, K., &Mathur, H. P. (2022). Sustainability practices in startups: A study of emerging economies. Journal of Sustainable Business and Development, 8(1), 55–70.

Pradhan, P., & Garg, B. (2024). Contribution of startups to GDP and employment generation in India. International Journal of Economic Perspectives, 18(1), 120–135.

ISSN: 3107-5088, Vol. 2, Issue-3 (July-Sep, 2026), pp.66-73, www.cognitivethinking.in

Saxena, S., Verma, A., & Tiwari, R. (2025). CSR practices in startups: A strategic approach to sustainable growth. Journal of Corporate Social Responsibility and Management, 14(2), 66–80.

Government of India. (2023). Startup India: Action plan status report. Ministry of Commerce and Industry.

NITI Aayog.(2022). India's innovation ecosystem report. Government of India.

Reserve Bank of India. (2023). Annual report 2022–23.RBI Publications.

World Bank. (2023). World development report 2023: Data for better lives. World Bank Publications.

Ministry of Electronics and Information Technology. (2022). Digital India programme: Progress and impact report. Government of India.

Department for Promotion of Industry and Internal Trade. (2023). Startup ecosystem in India report. Government of India.

International Monetary Fund. (2022). India: Economic outlook report. IMF Publications.

Organisation for Economic Co-operation and Development. (2021). Entrepreneurship at a glance 2021. OECD Publishing.

KPMG. (2022). Indian startup ecosystem: Driving growth and innovation. KPMG Report.

Ernst & Young. (2023). Startup ecosystem in India: Trends and outlook. EY India.

PwC. (2022).Emerging trends in Indian startups. PwC Report.

Startup Genome. (2023). Global startup ecosystem report 2023.Startup Genome.

Sharma, R., & Verma, S. (2021). Role of startups in economic development of India. Journal of Entrepreneurship and Innovation, 10(2), 45–58.

Gupta, A., & Singh, P. (2022). Impact of digitalization on startup growth in India. International Journal of Business Studies, 14(1), 78–92.

Mehta, K. (2020). Startup ecosystem and economic growth: Evidence from emerging economies. Journal of Economic Development, 25(3), 112–130.

Declaration by Author (s): *"I/We hereby declare that this manuscript is my/our original work, free from plagiarism, and that all sources and any use of Artificial Intelligence tools for content generation or editing have been fully disclosed and verified for accuracy."* Dr. Ashima Yadav